

# City Revitalization & Improvement Zone

Managed by LANCASTER CITY **ALLIANCE**

Marshall W. Snively, Acting Executive Director



# BUILDING ON STRENGTH

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THE COMMUNITY-OWNED  
ECONOMIC DEVELOPMENT STRATEGIC  
PLAN FOR THE CITY OF LANCASTER

Managed by LANCASTER CITY **ALLIANCE**

**LANCASTER**  
**DOWNTOWN**  
**INVESTMENT**  
**DISTRICT**

Managed by **LANCASTER CITY ALLIANCE**

# CRIZ Program

## What is a “CRIZ”?

- The City Revitalization and Improvement Zone (CRIZ) Program was established by Pennsylvania law (Act 52 of 2013 and amended under Act 84 of 2016). Program horizon is 2045.
- Intended to spur new growth in cities that have struggled to attract development, helping to revive downtowns, and create jobs for the residents in the regions.
- A CRIZ is an area comprised of properties designated by an authority to capture state and local taxes for the purpose of improvement and development within the designated CRIZ District.



# CRIZ Program

## Lancaster CRIZ Authority

- Established in 2013 to oversee Lancaster's CRIZ Program, and approves financial assistance made possible by the annual capture of state and local taxes to support development projects and other capital improvements, small business expansion, and job creation in the City of Lancaster.
- A municipal entity with a bipartisan Board of Directors appointed by the mayor and Lancaster's state senator.
- Board of Directors includes residents, business owners, property owners, nonprofit and local government leaders.





CITY REVITALIZATION &  
IMPROVEMENT ZONE (CRIZ)

# 111 acres



CITY REVITALIZATION & IMPROVEMENT ZONE (CRIZ)

*BUILDING ON STRENGTH*  
COMMERCIAL HUBS

*BUILDING ON STRENGTH*  
INVESTMENT OPPORTUNITY SITES

DOWNTOWN INVESTMENT DISTRICT

An aerial map of Lancaster, Pennsylvania, with various urban planning zones overlaid. A large red area in the northwest is labeled 'HARRISBURG AVENUE/NORTHWEST GATEWAY'. A blue-hatched area in the center is labeled 'DOWNTOWN CORE'. A yellow area in the northeast is labeled 'NEW HOLLAND AVENUE/EAST WALNUT STREET'. A yellow area in the west is labeled 'COLUMBIA AVENUE/WEST KING STREET'. A yellow area in the south is labeled 'MANOR STREET'. A yellow area in the southeast is labeled 'SOUTH PRINCE STREET/SOUTH QUEEN STREET'. A yellow area in the east is labeled 'EAST KING STREET'. A yellow area in the south is labeled 'SOUTH DUKE STREET'. A yellow area in the north is labeled 'TRAIN STATION AREA'. Dashed lines outline various investment opportunity sites. The map also shows the Susquehanna River to the east.

LANCASTER CITY ALLIANCE



# CRIZ Program



## > 500 Businesses

- Businesses, property owners, and contractors constructing CRIZ-approved projects located in the CRIZ district are required by State law to file annual, confidential reports between April 1 and June 15 to the PA Department of Revenue and the City of Lancaster on the amount of qualified taxes generated by their business during the previous tax year.
- The CRIZ Program's success and the amount of funding generated for the program is dependent on businesses fulfilling this reporting responsibility annually.

# CRIZ Program



## Key CRIZ-Eligible Taxes

- ✓ Corporate Net Income tax
- ✓ Capital Stock and Franchise Tax
- ✓ Bank Shares Tax
- ✓ Sales and Use Tax
- ✓ State Hotel Tax
- ✓ Personal Income Tax
- ✓ Malt or Brewed Beverage Tax and Liquor Taxes
- ✓ Local Services and Local Earned Income Tax

# CRIZ Program



## Certified “Increment”

- The Commonwealth of Pennsylvania and City of Lancaster certify the qualified taxes reported by businesses and property owners in the CRIZ districts and returns those tax dollars (“increment”) to the Lancaster CRIZ Authority in October or November each year.

# CRIZ Program



## Financial Assistance

- Qualified state and local tax revenues (“increment”) returned to the Lancaster CRIZ Authority may be used for payment of debt service on loans issued for the acquisition of real estate and/or qualified capital improvements within the CRIZ district in support of development projects and other capital improvements, and business growth.
- Funds are distributed by the Authority to CRIZ-approved projects in December or in the following year, or used to issue bonds to fund special programs.

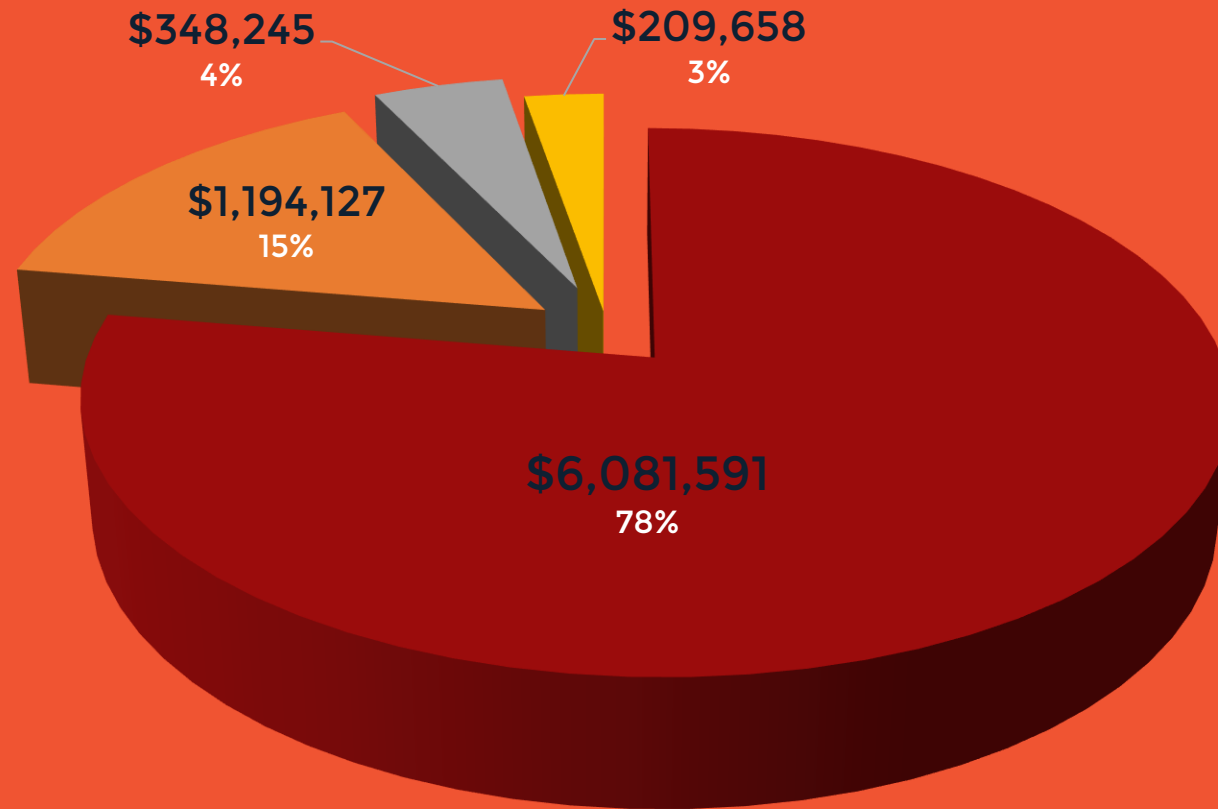
# CRIZ Program

**>\$7.8 million**

**in 2020 State and local tax revenues returned to the CRIZ Authority in 2021 to support economic development, allocated and distributed by Lancaster City Alliance in its first year managing the CRIZ program**



## ALLOCATION/DISTRIBUTION OF 2020 CRIZ INCREMENT BY THE LANCASTER CRIZ AUTHORITY IN 2021



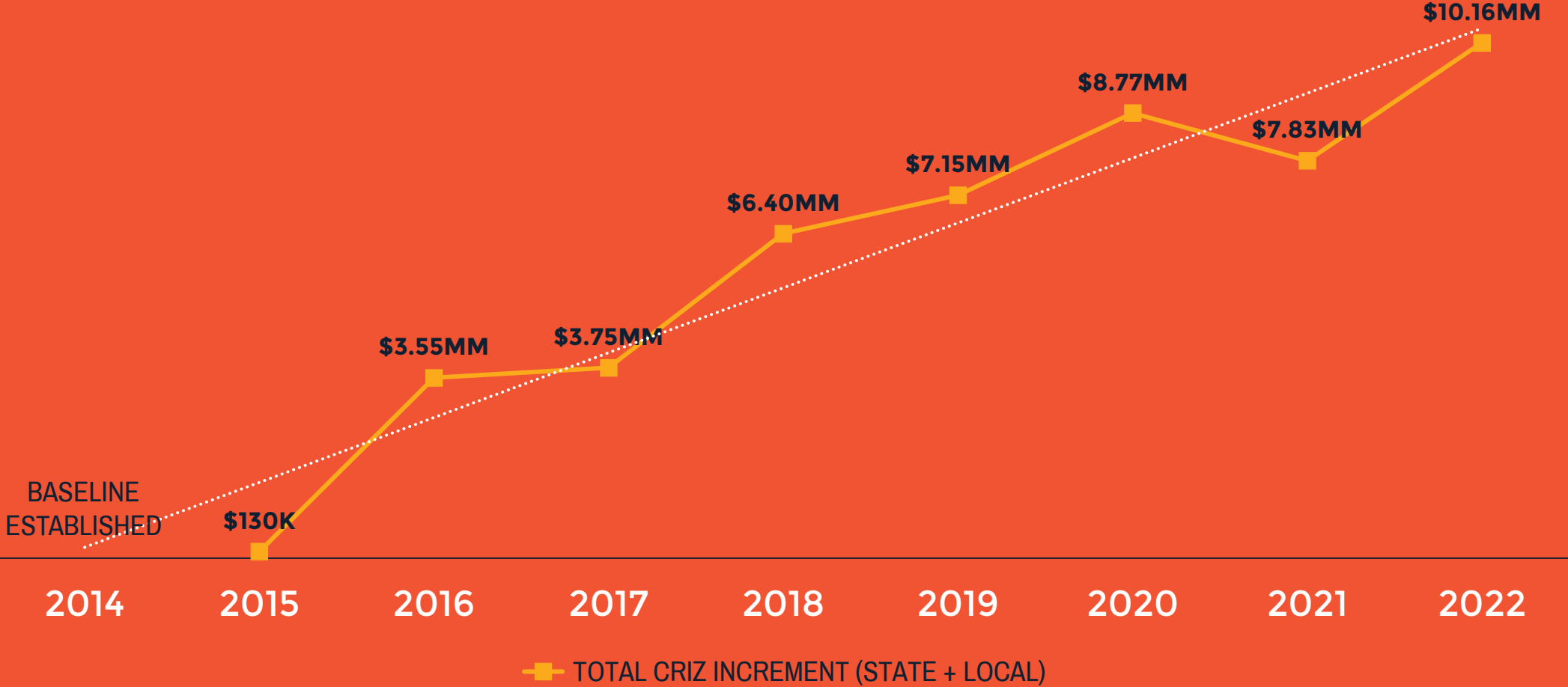
- FINANCIAL ASSISTANCE TO CRIZ AUTHORITY/STATE-APPROVED PROJECTS
- DEBT SERVICE ON CRIZ AUTHORITY-ISSUED BONDS
- ADMINISTRATIVE EXPENSES (PROGRAM MANAGEMENT, FINANCIAL, LEGAL SERVICES, ETC.)
- COMPLIANCE SERVICES

# CRIZ Program

>\$10.1 million

in 2021 State and local tax revenues returned to the  
CRIZ Authority in 2022 to support economic development

CERTIFIED CRIZ INCREMENTAL TAX REVENUES  
RECEIVED BY CRIZ AUTHORITY ANNUALLY FROM PREVIOUS TAX YEAR



# CRIZ Program

**\$47.7 million**

in State & local tax revenues returned and distributed since 2015,  
leveraging **>\$129.1 million** in private matching funds invested  
to support more than **>\$167 million** in economic development

# CRIZ Program

## Core Priorities

- ❑ **Redevelopment of underutilized and/or vacant properties**
- ❑ **Catalytic/high economic impact projects**
- ❑ **Supporting entrepreneurs/small business growth**
- ❑ **Sustaining key public facilities as vital economic drivers**



# Lancaster County Convention Center





# Clipper Magazine Stadium





# CRIZ Program

## Helping Projects Overcome Financial Hurdles

- **“But for”** – Projects that wouldn’t have happened but for some level of financial assistance
  - Commercial banks unwilling to finance the amount required after equity
- **Removing Impediments** – i.e., environmental hazards
- **Accelerating** – Development is able to proceed more quickly as a result of the financial assistance provided



# Lancaster Square





# Lancaster Square





# Holiday Inn Lancaster





101NQ





# Christian Street Garage Lancaster Public Library Ewell Plaza Retail





# Ewell Plaza



# CRIZ Program

## Eligible Uses of CRIZ Funds

- ✓ Real Estate Acquisition
- ✓ Demolition, Site Preparation, Infrastructure
- ✓ Real Estate Development Soft Costs (ex: Architectural, Engineering, Surveys, Legal Fees)
- ✓ New Construction
- ✓ Façade Improvements
- ✓ Interior Renovations (including Leasehold Improvements)
- ✓ Furniture, Fixtures, Equipment



# Marriott Hotel Expansion





# 29 East King





# Southern Market





# Thaddeus Stevens & Lydia Hamilton Smith Center for History and Democracy





# The Exterior Company





# Plaza Centro





# Plaza Centro





# Max's Eatery





# 551 West Expansion





# Double C



# CRIZ Program

**\$3.1 million**

**in CRIZ COVID-19 Small Business Recovery Grants**  
awarded in 2021, keeping more than 100 City businesses afloat  
during the pandemic and providing critical support for payroll,  
rent, utilities, supplies, and working capital

# CRIZ Program

**\$300K**

**in CRIZ Small Business Financial Assistance "Pilot" Grants  
awarded 2018 through 2022, providing inclusive funding assistance**



# Blazin' J's







# A Concrete Rose Book Bar





# CRIZ Program

**\$5 million**

**New CRIZ Small Business Financial Assistance Program**  
launched in 2022 in partnership with EDC Finance Corporation;  
will provide maximum \$25K grants and \$100K loans to catalyze  
small business growth and commercial renovations



# CRIZ Program

**Lancaster City**  
**Flourishes** and everyone  
shares in its  
**success.**

# CRIZ Program

To inquire about CRIZ Financial Assistance, Contact:

Lancaster City Alliance  
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(717) 394-0783